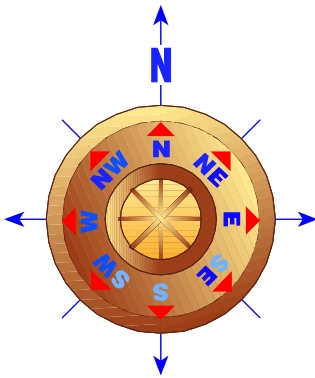


FNS Leadership 2000 & Beyond

COMPASS:

A Planning Framework for the Future



*Coordinated Operational
Management, Planning and
Administration System (COMPASS)*

Leadership 2000 and Beyond:
Planning Quality Implementation Team Report
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Introduction

The Food and Nutrition Service (FNS) has a strong track record of successful management of the Nation's nutrition assistance programs. Despite the breadth of its mission, the complexity of its program partnerships, and its limited resources, FNS has accomplished its mission consistently over many years. Too often, however, its success has been hindered, rather than supported, by a system of Agency-wide planning that has not effectively served FNS' collective needs. Some managers perceive that the Agency's planning systems are not well coordinated with each other, and result in a number of "make-work" exercises that do not contribute to setting shared goals or judicious allocation of scarce Agency and program resources.

The Agency can no longer rely on the assumptions it has used for past practices to guide its planning efforts. The work has become more complicated, the resources have continued to dwindle to a level that no longer sustains the successful accomplishment of the Agency's mission and FNS is losing key management staff that has helped sustain its ability to meet its responsibilities. It is important that the Agency recognize that it must accept a structured planning process as a way of insuring that it adheres to the Agency's mission and strategic vision.

Planning Team Charge and Methodology

In recognition of the above, the Agency established a Leadership 2000 and Beyond High Impact Planning Quality Implementation Team. The Team was charged with:

- Developing a strategy to integrate the Agency's Strategic Plan, Annual Performance Plan, Annual Performance Report and the Agency's work planning and management control processes into a more cohesive system; and

- Developing ways to make the resultant plans and performance reports more useful for management and for communicating the Agency's direction to employees, Congress, and other stakeholders, in a manner that they can understand.

In order to fulfill this charge, the Team:

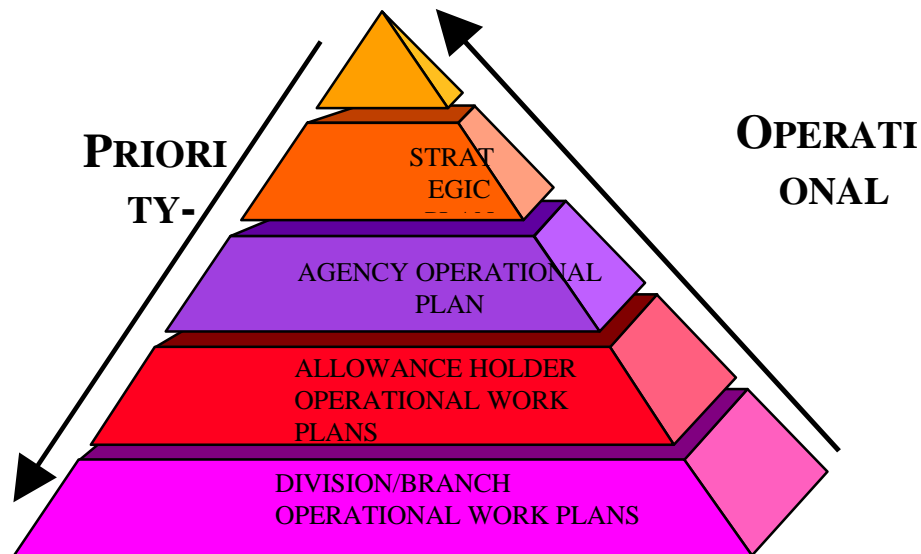
- Reviewed and developed an understanding of the current planning environment in FNS;
- Met with the Administrator, Team sponsor and other senior managers to get their views on planning and to discuss specific ways to improve and integrate the overall planning framework within FNS;
- Reviewed planning models from the Social Security Administration, Peace Corps, Wayne County (Michigan) Family Independence Agency, and Administration on Aging; and
- Gathered and examined materials that outlined the best practices, innovative approaches, and lessons learned for Agency planning and budgeting, priority setting, and communicating a planning process to all employees. The Agencies included the Department of Transportation, U.S. Customs Service, Internal Revenue Service, Veterans Administration, and Department of Housing and Urban Development.

COMPASS—A Planning Framework for the Future

Based on this research and analysis, the Team recommends that the Agency implement a new planning framework--Coordinated Operational Management, Planning and Administration System (*COMPASS*). *COMPASS* represents a new approach to planning, prioritizing and tracking FNS work to achieve the Agency's mission and make its vision a reality. It will create a planning framework that will commit the Agency as a corporate body to a clear, understandable plan of action that optimally utilizes resources to make progress towards its mission, vision, strategic goals, and objectives.

COMPASS allows work priorities and performance expectations to be set beginning with the Under Secretary and Administrator working

down through FNS' organizational structure. Once these priorities and expectations are set, operational work planning to address them will begin in the smallest work units and work up through the organization to ensure that goals are met as efficiently and effectively as possible. Finally, *COMPASS* will set the *course* for all employees by helping them understand how their work fits into the Agency's Strategic Plan.



COMPASS is structured around four basic steps:

1. The process begins with the Agency's **Strategic Plan**, which is required under the Government Performance and Results Act of 1993 (GPRA). The Strategic Plan lays out a five-year course of action through a set of broad goals that elaborate on how FNS will carry out its mission. Each goal has supporting objectives that specify what results FNS is trying to achieve to accomplish its overall mission.

GPRA also requires that the Agency submit an Annual Performance Plan (APP) and Annual Performance Report (APR) to OMB and Congress each year. The APP links the Agency's budget submittal with the Strategic Plan by identifying the Agency's annual performance goals, performance indicators and related performance targets for that budget year. The APR is used to

report annually on actual Agency performance as compared to the performance targets the Agency committed to in its APP.

2. Based on the Strategic Plan and other imperatives, the Senior Management Team will decide upon a set of annual priority activities and related performance goals to guide FNS' work. The Team recommends that these decisions be embodied annually in an **Agency Operational Plan (AOP)**. The AOP will describe key tasks and levels of performance the Agency is committed to achieve in a given fiscal year and will be used to support the APP

and APR requirements described above, as well as further define requirements from the Strategic Plan.

3. Agency allowance holders (the Agency's primary organizations) will develop more detailed operational work plans based on the parts of the AOP for which they are responsible. They will use the plan to identify and track the AOP items they are responsible for but will have the flexibility to develop their plans to best meet their own needs in leading their people and managing work. Everyone, though, will use the same AOP framework so that the planning system is linked and integrated.
4. An unambiguous **schedule of decision deadline and reporting requirements**, for the AOP and APP will be prepared in advance, so that expectations are clear and problems can be anticipated and resolved early. Planning and associated reporting will follow a standardized format and be coordinated centrally. Allowance holders will report both on their progress (and difficulties) in meeting their AOP tasks and objectives that are higher level priorities, and provide any necessary data to measure performance and meet the needs of Agency performance reporting requirements for the APP and APR.

The Team believes that all of these components will contribute to the successful development of an integrated planning process. However, for *COMPASS* to work successfully, it must be "owned" collectively by the entire Agency, and the Senior Management Team must provide the leading role in securing this ownership.

Guiding Principles of *COMPASS*

In providing leadership during the transition to implement *COMPASS*, the Team recommends strongly that the Administrator and Senior Management Team adhere to the following guiding principles that the

Team garnered from its research.

Corporate Priority-Setting. *COMPASS* recognizes priority-setting as an essential initial step in planning and managing work. It is intended to create a

priority-setting process that will result in a set of decisions, taken by the Senior Management Team as a corporate body led by the Administrator, to effectively form the framework for FNS planning throughout the year. This must be done according to an established schedule. Not making decisions when they are called for will cause *COMPASS* to fail.

Communication of Plans and Priorities. To successfully meet goals and expectations, clear and timely communication of Agency plans is critical. Expectations must be clear for everyone involved. All staff must have a strong understanding of the links between specific responsibilities and activities and how they relate to the mission of the Agency. The Senior Management Team must ensure that Agency priorities, and the plans that are designed to implement them, are shared widely with FNS staff and vested program partners so that they recognize the role that they play in achieving Agency goals and objectives.

Managing Change in Planning Priorities. The nature of the Agency's mission, work, and the structure of the programs themselves, often require that plan strategies and resource commitments change during the year. *COMPASS* will provide a mechanism for FNS to make such adjustments considering the full range of available options and understanding the ramifications of the change (i.e., what work will not be done when new work is added).

Effective Intra-Agency Coordination. In an organization with the breadth of mission, limited staff, and crosscutting goals and purposes that FNS shares, it is essential to coordinate all aspects of the Agency's operations to maximize effectiveness. *COMPASS* will give the Agency the informational tools necessary to assess the allocation of resources and responsibilities between organizational components, and to adjust both while ensuring consistency with Agency priorities.

Economy in Reporting. Once priorities are set, and Agency-wide plans are complete, managers should be given flexibility to meet the performance commitments embodied in the Strategic Plan and implemented in the AOP. The Agency will maintain a centralized

process for reporting progress and accomplishments, using standardized formats and set timeframes.

Accountability for Outcomes. Performance will be monitored and measured using standard procedures that are understood by staff at all levels. This process is based on a commitment to specific program and organizational outcomes, including measurable indicators of program performance, and holds managers accountable for progress on those outcomes as plans are executed.

Key Components of COMPASS

The following provides a more extensive description of the key components of *COMPASS*.

A. FNS Strategic Plan

Recognizing the intent of GPRA, as well as the best practices of other Federal Agencies, the Team strongly believes that FNS' Strategic Plan should drive the Agency's priorities, initiatives, and operations. Currently, it is clear that many FNS employees view the Strategic Plan as a document intended primarily to meet the external reporting requirements of GPRA, rather than to guide management decisions about the Agency's work and resources. This disconnect between the plan and operational management is further exacerbated by the fact that many FNS managers and employees alike do not recognize a link between the plan's goals, objectives, and performance measures and the "real work" they perform.

The Strategic Plan should be the lodestar of all Agency planning, embodying the mission and purposes of its Federal nutrition assistance programs and setting out long-term strategies to achieve them. Focused on program outcomes, the plan should include goals and objectives that the Agency and its partners will pursue together to meet the programs' missions. FNS should use the plan as an overarching strategic management tool for making decisions about priorities, resources, tradeoffs, and approval of major projects and initiatives. It should also be used to strengthen the public perception of the Agency and its programs and influence the action the Agency takes to improve the *internal controls* of its operation. This will require significant changes in management focus:

- First and foremost, the Administrator and Senior Management Team must commit to the strategic plan as the guiding document for Agency management, fostering its integration throughout the planning process at all levels.
- Second, the Agency must make clear the fundamental role of program partnerships in implementing its Strategic Plan. The Team recognizes and appreciates the fact that many of FNS' program outcomes are determined by State activities and therefore are largely outside of FNS control. With that understanding, the Team recommends that the Agency focus more on defining how the Agency's work activities, especially those that influence and "incentivize" the actions of our State and local partners, contribute to program-focused strategic goals and objectives.

For example, achievement of program management and benefit accuracy goals depends on States' working to ensure that program funds are used properly. FNS provides guidance, monitoring and oversight, and incentives to encourage improvements in program integrity. Strategies to improve error rates, or to reduce program mismanagement, thus reflect commitments of effort and resources at both the Federal and State levels. A clearer recognition of the related roles of FNS, its partners, and other stakeholders would help each of those parties understand better how their work contributes to shared program objectives. The Strategic Plan and the annual performance plan should explain the relationship of the efforts of both FNS and its partners to the intended outcomes, even when the effect of a particular strategy on that outcome cannot be quantified.

- Third, the Agency must make the plan more meaningful to managers and employees by explaining how its strategic objectives and performance measures relate to all of the organization's work. The Team proposes a communications strategy to explain the contribution that all parts of FNS make to meet our mission. To make this strategy successful, managers at all levels must use it actively to make the connection between their day-to-day work and strategic objectives for all employees.

Although the Team is encouraged by the attention and effort FNS has directed at strategic planning and believes that the process now

underway to revise the Strategic Plan offers a strong model for ongoing strategic planning, additional improvements must be made to make the Strategic Plan more useful and meaningful to all FNS employees. The following steps would further improve strategic planning:

1. The Administrator and Senior Managers must commit to making the Strategic Plan drive the Agency's priorities, initiatives, and operations. Then the entire Senior Management Team must become active participants in clearly conveying the organization's mission, strategic direction, and vision to all employees as they plan and implement their work.
2. FNS should make clear to employees, program partners, and external stakeholders the work activities within its control, and the responsibilities of others, and how both contribute to the achievement of the Agency's strategic goals and objectives. In focusing on planning for performance, the Agency should begin to more closely tie its activities to strategic program goals and measures.
3. There must be more opportunity for those who must implement the Strategic Plan to influence the development of strategic goals, objectives, and performance indicators and measures. Strategic Plan revision—either through the current process or a revised one—should be made a regular, structured part of the overall Agency planning cycle with greater input from business units throughout the Agency.

The Team believes there should be a critical link from the overarching Strategic Plan, which should be simple and not extremely detailed, to the specific work of the Agency that makes the Strategic Plan happen. The Team calls this the Agency Operational Plan (AOP).

B. Agency Operational Plan

The Agency must commit to a planning structure that links work planning activities to the Strategic Plan. *COMPASS* will make this link through an AOP that organizes areas of work activity around strategic goals and objectives. For FNS, this represents a major shift in focus from work planning activities that are separate and apart from strategic planning to a single, integrated planning system. The AOP will set major Agency work objectives for a given fiscal year, highlighting priorities and identifying key accomplishments and milestones. It also will serve as a blue print for *management control assessment* and the *annual assurance process* required of all Senior Managers. Although

the AOP represents an annual plan, where appropriate, it also should identify key tasks and activities beyond the current year to show how it supports the 5-Year Strategic Plan goals and objectives. Establishing an AOP is critical:

- To aligning and focusing the organization on the most important objectives and facilitating development of the most effective means of achieving them;
- To providing a clear and direct link between the long-term strategic goals and objectives outlined in the Strategic Plan and the day-to-day activities of leaders and staff;
- To establishing a basis for *accountability* for results, because the information in the AOP would be used to create a review and reporting structure for the Administrator to use in setting expectations and monitoring progress in meeting FNS' work objectives and adjusting those objectives as circumstances change through the year; and
- To helping the Senior Managers come to a collective understanding of how the activities of their respective components are working together to accomplish FNS' Strategic Plan goals and objectives.

The Team recommends that the AOP be organized around FNS' strategic goals and objectives, as well as other key management and operational areas, and include the following information:

- Priority area;
- Key tasks or action steps;
- Measures or performance targets;
- Resources;
- Component;
- Timeline (if applicable);
- Check points for reporting; and
- Status of Projects and tasks.

(See Appendix 1 for sample formats.)

Integrating the AOP Throughout the Organization

Although there would be a single unifying AOP for the Agency, the tasks and priorities it includes would flow down through the organization via operational work plans for each work unit. Once

Agency-wide planning is complete, allowance holders will develop an annual operational work plan for their organization. This plan must include items reportable under the overall Agency AOP, but may also encompass the full range of anticipated work through the year for each allowance holder. This will, in turn, flow through the work units of allowance holders so that all Agency planning is linked. Managers will use these subsidiary plans, based upon their plans, to communicate plans and expectations down as far into their organization as the allowance holder deems necessary to meet their needs.

For example, if allowance holder A had an item in the AOP, he or she would include that item in their annual operational work plan. If the allowance holder were the only one responsible for that item, then perhaps the item would only be identified in the plan at his/her level. However, if the allowance holder delegated the responsibility for that item to a division director, then the division director could include that item in the division's annual operational work plan. If the division director, in turn, delegated responsibility for that item to a branch chief, then the branch chief could include the item in the branch's annual operational work plan.

Thus, the entire priority setting process from the Under Secretary and Administrator down through the organization is linked while still providing flexibility.

The Agency should use the standardized format for the AOP in preparing annual operational work plans for all work units. This structured and consistent approach will:

- Promote achievement of broad organizational goals and objectives;
- Link the work of individual business units to the overall Agency goals and objectives;
- Communicate expectations (performance) to staff and management;
- Foster/facilitate (external and internal) collaboration and coordination of work within and between business units and programs to maximize efficiency and effectiveness; and
- Promote understanding for both staff and management of the link between the planning process and the work of the business units and staff.

However, each organizational level (Administrator, allowance holder, division director, branch head, etc.) may add additional elements to the operational work plan to meet their special needs. While the system is integrated and standardized, maximum flexibility is provided for each organizational unit. Additional internal information necessary to ensure quality management, and to support proper coordination between

business units, could be maintained through the individual operational work plans.

AOP Accomplishment Reporting

As a management tool, the Agency should use a standardized reporting format, based on the AOP structure, to consolidate the Agency's accomplishments and performance data for a given priority task or objective across organizational lines. This will help leaders to manage priority projects. It will also create a shared base of information that the Administrator and management team can use to determine whether the work and agreed upon measures have been met. This approach will also support the annual management control assurance process. (This reporting framework is discussed further under Accountability, below.)

C. Annual Agency Priority-Setting (and AOP Development)

Setting annual priorities is an essential step in translating the Strategic Plan and other imperatives into key tasks and performance goals. The AOP will capture this translation in a form that can be shared and used throughout the Agency. The process of setting priorities and preparing the AOP must ensure that 1) decisions are made with input and information from all parts of the organization and 2) that these decisions result in a plan that is understood by those who must act to implement it.

The Team believes that FNS' current priorities are identified and set largely through two mechanisms: 1) budget development, beginning 18 months before a fiscal year begins, through which shifts or increases in resources are proposed, and key indicators of performance are agreed upon, and 2) operational work planning, done during the 6 months before a fiscal year begins, through which business units determine how to balance priorities in performing the required work.

In its discussion with the Agency Senior Managers, as part of its development of a new approach to planning, the Team learned that managers believe the Agency is unclear at times in articulating its priority and work expectations. Although FNS managers and staff identify these expectations and priorities in presentations and occasionally in memoranda among the managers, this level of

communication is limited to individual meetings with various participants or in memoranda issued among Headquarters and Regional organizations. As such, expectations and priorities have not always been integrated into the planning process in way that achieves a common understanding of the new work or objective.

The Team proposes to unify the priority-setting process, and to begin the process in advance of other planning activities, to ensure that these activities are consistent with Agency priorities and expectations.

Recommendations:

The Team recommends that FNS set and commit to annual priorities through a three-stage process:

1. **Identification of Potential Priority Initiatives.** Under this process, the Administrator and Under Secretary would meet, at the outset of the FNS planning process, to decide on the top Agency priorities and tasks for the fiscal year in question. In addition to ascertaining the Under Secretary's priorities, the Administrator should use the opportunity to brief the Under Secretary on his priorities, FNS' strategic goals and objectives, and how their priority setting decisions will be integrated into the overall FNS planning framework. This should include clarifying expectations of what is expected from the priority tasks.

The priorities, coupled with the Strategic Plan, would provide the leadership vision and overarching goals to set the overall direction for organizing the Agency's resources and work efforts. The Administrator would then communicate to the Senior Managers the tasks the Under Secretary and Administrator identified for the fiscal year under consideration.

The Team recommends that the Under Secretary and Administrator communicate their priorities for FNS by the end of January.

2. **Development of Priority Proposals.** Once the Under Secretary's and Administrator's priorities are clarified, the Agency's Senior Managers must work to define the key activities and resources necessary to support the priorities and Strategic Plan. To accomplish this, the Administrator would assign to different Senior Managers the role of Executive Sponsor for each priority area. The Executive Sponsor will have the overall lead for defining the strategies or tasks leading to the achievement of a specific Agency priority or strategic objective. (*See Appendix 2 for a detailed description of the role of*

an Executive Sponsor) In turn, the Executive Sponsors would work with the components and functional areas involved in accomplishing the work to develop strategies to meet the priorities set out by the Under Secretary or Administrator, or those already identified in the Strategic Plan. Senior Managers could also propose additional priorities for consideration that were not identified by the Administrator or Under Secretary.

The Team believes this process should be highly structured, through clear guidance, expectations, and a timeline (if appropriate for a specific priority), to help ensure consistency of the information that must be included in the priority proposals. *(See Appendix 3 for the proposed format for priority proposals)*

Concurrently with developing priority proposals, the Senior Managers would identify current or propose new APP indicators and targets that support the assigned priority objective.

The Team recommends that the initial priority proposals cover priorities approximately eighteen months in advance of the fiscal year being planned, to support the budget formulation process. *(See the Proposed Timeline in Appendix 4).*

(If this timeframe for Agency-wide priority-setting is too early to allow for decision-making that will “stick,” the Administrator and Senior Management Team must set an alternative schedule that leads to the same objective.)

While not all areas of Agency activity will be designated as new tasks by the senior leadership, priority-setting decisions should be made for all aspects of the work each year. Some priority actions will involve a mix of

ongoing or required work, and new initiatives; some will involve complex activities that cut across the Agency. Furthermore, every item that is identified as a new task will need to be made the responsibility of an Executive Sponsor or sponsors.

Ultimately, the proposals can be most effectively used for decision-making if they identify the resources necessary to accomplish them. This may be difficult to achieve with our current system and timeline; if so, priorities should be set in a manner mindful of the likely resources available for each work component, and intended to tie realistically to expected resource levels for the year.

As the proposals are prepared, they would be considered by the Senior Management Team through a formal process, revised as necessary, and finalized for presentation to the full team at a priority-setting forum.

3. **Priority-Setting Retreat.** Every year, in sync with the budget cycle (during April/May), the Administrator and the Senior Management Team would meet to discuss and make decisions about proposed tasks to meet the Administrator's and Under Secretary's priorities, to advance the strategic goals and objectives, and to further other objectives identified by individual Senior Managers. The Team envisions this as a multi-day senior manager meeting.

After identifying the tasks for the years in question, and adjusting proposals as necessary to reflect overall Agency or mission area priorities, resource constraints and other external factors, the Administrator and Senior Management Team would make decisions about which initiatives (new or ongoing) to pursue for the years in question.

- The primary focus of the priority-setting meeting should be to address initiatives for the AOP for the upcoming *fiscal year* beginning in 6 months. Once the Agency AOP for that year is finalized, allowance holders will use the plan to prepare their own operational work plans to support it.

- At the same meeting, the Management Team should identify Agency initiatives and annual performance goals for the *budget year*. These decisions will be used to help formulate the Agency estimates and budget submissions, and prepare the APP.

D. Planning Flexibility and Adjustment

The Team recognizes that one of the biggest obstacles to planning is the fact that the future environment often changes between the creation of plans and their implementation. Indeed, strategic management involves the ongoing evaluation of an organization's plans and actions with respect to its goals and changing environment. Consequently, during the fiscal year, the Agency will have to adjust its priorities and some current initiatives and/or tasks will have to be discontinued, delayed, or de-emphasized to enable other tasks to be undertaken. The Team believes that this is a key failure in FNS' current and past planning efforts--the inability to adjust priorities as changes occur.

Recommendations:

As legislative or regulatory changes, or other conditions that require changes to priorities are identified, there must be an established mechanism for the Agency to make changes to the AOP. The Team recommends that once new work is identified:

- The Administrator consult with the appropriate Senior Managers to identify all of the components and functional areas impacted by the new work and assess the resources required to accomplish the tasks.

- The Administrator and Senior Managers must use the AOP to identify areas where tradeoffs can be made in priorities to accommodate the new work and best support the Agency's strategic priorities.
- The AOP must be changed when any new work is identified that requires one or more staff years of effort.
- The AOP must be revised and distributed so that all allowance holders can adjust their individual operational work plans.
- In addition to changes as they occur, the AOP will be reviewed for changes at each Seniors Managers meeting. The planning staff (discussed below) will support the process that addresses these changes.

E. Accountability

To make an integrated planning system effective, FNS should develop a results-focused management structure to ensure that progress is being made toward Strategic Plan goals and objectives. Oversight and reporting based on AOP tasks are critical to evaluate Agency performance, to identify problems and make adjustments to plans throughout the year. The Team recommends two FNS-wide mechanisms to collectively keep the Agency on track.

- **Administrator's Monitoring and Review** -- The AOP will enable the Administrator to monitor progress on priority tasks. Dates for completion of key tasks, as well as "check-ins" with Executive Sponsors on ongoing activities, would be built into the plan. Other reviews should be held as needed to focus on progress in accomplishing Agency performance goals, as well as issues related to individual projects or activities.

In addition, the Administrator should meet quarterly or semi-annually with the Senior Management Team to assess performance in key areas of priority business. These sessions should emphasize the status of shared AOP objectives and resulting performance, and issues raised by executives about individual objectives and projects they sponsor which need resolution by the full management team.

- **Operational Plan Reporting/Performance Data Collection** – Two kinds of reporting will be necessary to support effective management: 1) regular reporting of activities and accomplishments by Executive Sponsors and business units, and 2) consistent collection of data, through automated systems and other means, for performance measurement, strategic evaluation, and external reporting. Since these two sets of reporting requirements are both organized around the AOP, they could be consolidated into a single system for collection and Agency-wide consolidation.

Operational Plan Reporting – FNS should use a standardized reporting format, based on the AOP structure, to collect and consolidate the Agency's activities in pursuit of AOP tasks and objectives. (***Key information for inclusion in the report is illustrated in Appendix 5.***) The necessary information should be assembled in a form that would permit it to be easily organized according to AOP task, strategic goal and objective, (business unit, and Agency function). While the system must be brought fully up-to-date each quarter, information on

specific activities could also be reported on an *ad hoc* or flow basis, to meet the timeframes of specific AOP tasks.

In addition, managers may wish to provide additional reporting in certain situations: to expand at greater length on one of the performance measures, to identify an area of potential vulnerability to the Agency, or to identify accomplishments or success stories. Any shared reporting system should provide the flexibility to allow this additional reporting.

After information is collected and consolidated, reports would be printed and provided to AOP Executive Sponsors, for their use in updating the AOP and reporting progress to the Administrator. Executive Sponsors and the senior team could also use the information at the end of the year to evaluate overall success in meeting agreed upon work and performance expectations.

The Administrator must have each Executive Sponsor to submit an annual evaluation report for each AOP priority task, including a determination as to whether the accomplished tasks have been effective in meeting the AOP objectives, and recommended next steps and new strategies to improve the

Agency's performance in the future.

Performance Data Collection – In addition to the activity/accomplishment reporting described above, performance and management control data will be needed for the AOP, management oversight, and evaluation, and the APP. The data could be captured through the system described above. However, the technical requirements for the data, and the need in some cases to work closely with program partners in collecting and validating it, make a more specific and standardized data request mechanism a useful part of the AOP development process.

Each year, when the AOP is finalized, a “data call schedule” must be prepared that clearly explains expectations for all performance and other data that must be collected and reported that year.

This schedule would lay out:

- the data elements to be reported;
- the sources and methods used to derive them;
- the format in which they are to be provided;
- the dates on which data is due; and
- any validation procedures or other assurances that must be completed.

These expectations will be communicated sufficiently in advance so that all necessary components of the organization can collect them without confusion or undue hardship.

Planning Staff

The Team recommends that the responsibility for overseeing the planning and reporting efforts described in this paper be coordinated by a small specialized staff. The Team is not recommending how the positions should be staffed or where the positions should be placed within FNS, but believes strongly that this focused responsibility is critical to the success of the integrated planning effort.

This staff could be responsible for preparing the AOP, tracking and updating the milestones and accomplishments via the AOP reporting process. In addition, the Team suggests that the staff could:

- Develop and maintain the overall planning and reporting processes to ensure that Agency-level responsibility is discharged as needed.
- Provide detailed instructions, including the planning schedule for the year, guidance, and orientation to participants in the planning process;
- Be available for liaison and consultation to the Administrator and Senior Management Team; and
- Facilitate communication and coordination among all staff involved in planning.

Communications Strategy for Planning Framework

To successfully implement COMPASS, clear and timely communication of the new planning approach is critical. Expectations must be outlined and a mechanism must be in place for feedback and updating the system. Staff as well as key partners need to understand the who, what, when and where of the new planning process.

Agency leaders are the heart and soul of the communication system. The way they respond to *COMPASS* and convey it to employees will be critical in how employees understand and accept the new planning system. Therefore, the Administrator and Senior Management Team must communicate the process in a clear and supportive manner that promotes confidence and enthusiasm.

Strategic Communication Approach

Based on the above, FNS should use a systemic approach in communicating to staff and stakeholders. Strategies should include key messages and a variety of communication vehicles. While the focus of this communication is on *COMPASS* as a whole, it is also important for staff and other stakeholders to understand the various components of *COMPASS* (i.e., Strategic Plan, APP, AOP, APR budget process, etc.), as well as the integrated approach.

To implement the communication plan, the Team suggests teaming Senior Managers with selected line staff and coaching them on how to present the plan using the identified tools. Working in pairs, these teams could conduct three or four small group sessions, evaluate the sessions and provide feedback to other managers. After all staff is briefed, an overview of the *COMPASS* process should be integrated with every employee's orientation and ongoing training and development.

The following outlines approaches and vehicles that can be employed to help FNS employees understand COMPASS and appreciate the role they play in achieving the Agency's vision and mission.

Key Messages

The Team recommends developing key messages for use in all communication about the new planning process. This will help everyone be consistent and stay "on the same page," and facilitate communication of basic messages to all groups regardless of presenter bias and variation. These messages should address *COMPASS* as a whole and the component parts of the plan.

The Team suggests use of the following communication approaches for delivering key messages to the various audiences:

- Presentations by the Administrator and Senior Managers using handouts and/or PowerPoint slides
- Satellite teleconference for employees and stakeholders - using a variety of above tools including the videotape and PowerPoint Presentation
- Planning Team members and line staff coupled with Senior Managers conducting a road tour of the Regions to explain the new planning process
- Ongoing updates of Web with links to information on bulletin boards
- Administrator's Bulletin Board (ongoing updates)

- Periodical Articles in Friday letter, ongoing updates
- Add an overview of *COMPASS* to Employee Orientation Program and related materials

Communication Vehicles (Materials/Documents/Products)

Recognizing that different people prefer to obtain information in various ways, the Team recommends using a “mix” of communication tools to reach staff and other partners.

Communicating COMPASS to the Senior Management Team

The presentation of *COMPASS* to Senior Managers must be done in a convincing, enthusiastic and professional manner. Using visual tools to illustrate the process and demonstrate the value of the integrated approach to each component as well as FNS as a whole is imperative.

This presentation will provide the basic foundation on which subsequent communication approaches will be built. This presentation should address and include at a minimum the following:

- Sample AOP
- Flow charts
- Implementation schedule and strategies
- List of clear definitions
- Sample planning guidance

Communicating COMPASS to Stakeholders and Employees

FNS will require a variety of tools to reach all staff and stakeholders with the *COMPASS* message. Key tools should include videotapes, pocket guides, web site, etc.

Implementation Plan and Next Steps

Fiscal Year (FY) 2002 will be the first year that the Agency will be able to bring the Strategic Plan, AOP, and budget together in a single coordinated process. However, the Agency should view FY 2000 and FY 2001 as years where the Agency must take critical steps to introduce and implement its planning framework.

COMPASS implementation entails two major objectives that can and should begin now to implement the new system effectively: 1) activities to lay the groundwork for the FY 2002 process, and 2) activities to transform FNS planning for FYs 2000 and 2001 consistent with the principles and components of *COMPASS*. The Team proposes the following series of implementation activities to achieve these objectives.

1. **Establish a Planning Staff.** Upon finalization and acceptance of a proposed planning process (i.e., this paper, as amended by the Administrator/Senior Management Team), the Administrator should establish a planning staff to manage the transition to the new planning system.
2. **Explain and Communicate the New Planning System.** The first task in implementing this process is to begin to communicate the system to managers and other employees. The planning staff should work with other FNS components, as appropriate, to implement the *communication strategy* outlined in this paper.

At the same time, the planning staff should begin preparing the first draft of detailed *planning guidance* for the Agency, delineating the timelines and requirements for proposals, plans, reporting, and other required documents. The guidance should focus on the regular process, rather than the short-term implementation steps detailed below, to begin to set expectations for the FY 2002 planning process beginning in January 2000.

3. **Develop Initial Agency Operational Plans.** FNS should move quickly to establish its AOPs for FY 2000 and FY 2001. These plans should be based on an abbreviated “priority confirmation” process that makes use of the decisions already captured in FNS planning documents:

- For **FY 2000**, this can be based primarily on the proposed (or final, if available) budget, including the APP. It may include only a subset of key Agency work items that the Administrator may wish to track for that year.
- For **FY 2001**, this should begin with the budget estimates and APP for that year, as well as a review of the Under Secretary’s and Administrator’s priorities for the Agency and the newly revised Strategic Plan. This plan should be more comprehensive than the FY 2000 AOP, and plans should be made to continue to add and refine items in the plan over the period leading up to the priority-setting process in the Spring of 2000.

The Administrator should collaborate through a meeting, or separate meetings for each fiscal year, with the Senior Management Team to confirm priorities, develop performance expectations, and agree to reporting on those expectations for the AOP for those year. The meeting should be preceded by clear guidance to participants regarding its purpose and goals, tightly focused and structured, and properly staffed to frame and capture decisions.

- Once the meeting is done, the initial AOPs for each year should be developed by the planning staff, or other designated staff, based on the decisions reached/confirmed there, and distributed to managers.

4. **Specify FY 2000 Operational Work Planning and Reporting**

Requirements. Once the FY 2000 AOP is completed and distributed, guidance should be provided to allowance holders to explain expectations for reporting on the AOP, and for developing their more detailed operational work plans. These expectations and requirements should be integrated carefully with work planning for FY 2000, which will already be complete at that point, to avoid unnecessary duplication of effort.

5. **Refine the FY 2001 AOP, in preparation for review during the Spring priority-setting meeting.** The FY 2001 AOP should be viewed as a “transitional AOP” that will change significantly over the months between its initial drafting in the fall, and final review at the Spring priority-setting meeting, in preparation for development of FY 2001 allowance holder operational work plans. The Administrator could work individually with different organizational components of FNS during the period to identify additional AOP items for ongoing oversight at a lower level of detail than the items added to the plan during the initial priority-setting process.

By following these steps, the Agency should, through communication, guidance, and the experience of developing and revising FY 2000 and 2001 AOPs, be ready to implement the full-fledged *COMPASS* process beginning in January 2000.

Other Implementation Issues

During the Planning Team’s development of *COMPASS*, the Midwest Regional Office (MWRO) created an automated work planning process that incorporates the concept of planning (using work functions and resource breakouts) advanced by the Agency in its early development of an Agency-wide work planning approach

for FY 2000. Originally intended as a 'stand-alone' system to be used by the Region, interest in its concept and design has grown throughout the Agency. As of the date of this report, all of the Regional Offices have committed to its use, and managers within FNS Headquarters have also expressed their support. It is safe to say that many employees believe there is value in implementing MWRO's automated system as part of a national framework of work planning and reporting for FY 2000.

However, the Team believes that some of the planning assumptions used to construct the MWRO system may not necessarily correspond with the Team's assumptions for an integrated planning process. The proposed process outlined in this paper is focused on determining Agency priorities to support its Strategic Plan and mission, and building expectations for those priorities. Organizational functions are secondary. It is unclear whether a system built on functions, as the MWRO system is now, will best serve the Agency's efforts to build expectations for operational objectives and related reporting requirements.

Moreover, the Team is concerned about the timing of the MWRO system rollout, which is expected to occur several weeks before the Agency's first opportunity to build expectations from the Under Secretary's and Administrator's priorities. If FNS organizations begin to use the system to tailor their "plans" before expectations are created for their work, they may have to redo their "planned use of resources" to address new work expectations, or even make more fundamental changes.

The Agency is committed to creating a planning process that will be sustained over the coming years. It should ensure that the very first

“piece” of the process seen by most employees is destined to succeed. The Team recommends that this issue be discussed among the Senior Managers, in light of the broader planning strategies that FNS is pursuing, before the automated system is adopted.

Priority Proposal Template

Initiative Title Functional Area(s)

Related Strategic Goal Strategic Objective

Budget

Fiscal Year	Staff Years Required	Staff Cost	Other Costs

Initiative Description

Objectives/Purpose

Implementation Approach/Strategies(describe how this project will be carried out.)

Project Timelines (outline key milestones/deliverables and when they will be achieved)

Key Tasks	Deliverable/Milestones	Est . Co mp leti on Dat e
1.		
2.		
3.		
4.		
5		

Performance Measures/Outcomes

Internal/External Agencies for Coordination/Collaboration

Submitted by: _____ Date _____

Program/Business Unit Regional

Model 2

Under this alternative approach , all business unit plans would contain some common or core elements or components. However, additional elements may be added at the discretion of individual business units to meet their special needs. This model assumes that the plans are tools for achieving the following organizational goals:

- ▼ Promoting achievement of broad organizational goals and objectives
- ▼ Linking the work of individual business units to the overall agency goals and objectives
- ▼ Communicating expectations (performance) to staff and management
- ▼ Fostering/facilitating (external and internal) collaboration and coordination of work within and between business units and programs to maximize efficiency and effectiveness.
- ▼ Promoting understanding of staff and management of the link between the planning process and the work of business units and staff.

C: JFW station; Name: Priority Project Proposal Template

Appendix 4

Proposed Timeline

FYs 2000 - 2002

COMPASS
Proposed Timeline
FY 2000-2002

Activity for Planning Year(s)	FY 2000*	FY 2001*	FY 2002
Under Secretary (U/S) communicates priorities to Administrator	January 1998	January 1999	January 2000
Administrator communicates priorities to Senior Staff & releases call for priority proposals	<i>January 1998</i>	<i>Fall 1999 January 1999</i>	January 2000
Senior staff share and discuss ideas to support agency priorities	<i>January - March 1998</i>	<i>January - March 1999</i>	January - March 2000
Prepare & submit 1 st quarter AOP Report to Administrator	January 2000	January 2001	January 2002
Senior Staff develop goals to support APP, U/S & Administrator priorities and budget initiatives and legislative proposals	<i>Sept. - Oct 1999 April 1998</i>	<i>Fall 1999 April 1999</i>	April 2000
Off-site priority setting/ Senior Mgrs. Meeting	<i>Sept. - Oct 1999 April 1998</i>	<i>Nov - December 1999 April 1999</i>	April 2000
AGENCY Operational Plan (summary level) developed	<i>Sept. - Oct 1999 April 1998</i>	<i>December 1999 April 1999</i>	April 2000
Prepare & submit 2 nd quarter AOP Report to	April 2000	April 2001	April 2002

Administrator			
FY Budget & APP developed for Agency Estimates Submission	May - early July 1998	May - early July 1999	May - early July 2000
Prepare & submit 3 rd quarter AOP Report to Administrator	July 2000	July 2001	July 2002
Finalize COMPONENT Operational Plan for upcoming year	October 1999 August 1999	August 2000	August 2001
Prepare and Submit FY 02 Department Estimates and supporting APP	September 1998	September 1999	September 2000

*(Red) Bold *italics* represent timeframes that would have been consistent with those for FY 2002.
(Blue) Bold represents desired timeframes to accommodate delay in the FY 2000 & 2001 process.

COMPASS
Proposed Timeline
FY 2000-2002
(cont'd)

Activity for Planning	FY 2000*	FY 2001*	FY 2002
Prepare & submit 4 th quarter AOP Report to Administrator	September 15 th 2000	September 15 th 2001	September 15 th 2002
Prepare and Submit Explanatory Notes and supporting APP	November 1998 - February 1999	November 1999 - February 2000	November 2000 - February 2001
Full/partial appropriation available for spending	October 1, 1999	October 1, 2000	October 1, 2001

Agency Operational Work Plan Report Summary Template

Operational Work Plan Objective (or Function)

**Related Strategic Plan Objective (or) Annual Performance
Plan Goal**

Coordinating Organization

**Summary of the Original Statement of
Expectation:** _____

Agreed Upon Operational Tasks or Measures Within Operational Work Plan Objective

Key Tasks or Measures

Deliverable/Milestones

Completed?

1.

2.

3.

4.

5.

6.

Overall Statement of Success in Meeting Operational Work Plan Objective:

Next Step(s):
